

and social security taxes;

(v) Pre-season per diem amounts (as described in Sections 3 and 4 of Article XXXVII) and regular season meal allowances (as described in Article XXXIX);

(vi) Moving and travel expenses (as described in Sections 2, 3, and 4 of Article XLI, and Section 8 of Article XXXVII);

(vii) Post-season pay (as described in Article XLII and Article XLIII);

** For purposes of the Salary Cap in the 1996 and 1997 League Years, salary paid to practice squad players pursuant to a practice squad contract during the post-season will be a Benefit under Article XXIV, Section 1(b)(vii), unless the practice squad player contract is executed or re-negotiated after December 1 for more than the minimum practice squad salary, in which case all salary paid to a practice player during the post-season will be counted as Salary.*

**Side Letter 10/8/96*

(viii) Player medical costs (i.e., fees to doctors, hospitals, and other health care providers, and the drugs and other medical cost of supplies, for the treatment of player injuries), but not including salaries of trainers or other Team personnel, or the cost of Team medical or training equipment (in addition, the amount of player medical costs included in Benefits may not increase by more than ten percent (10%) each League Year beginning with the 1993 League Year, which may not increase more than ten percent (10%) over the 1992 League Year); and

(ix) Severance pay (as described in Article L).

Benefits will not include salary reduction contributions elected by a player to the Second Career Savings Plan described in Article XLVIII. Benefits also will not include any tax imposed on the NFL or NFL Clubs pursuant to section 4972 of the Internal Revenue Code for the Bert Bell NFL Player Retirement Plan, the Pete Rozelle NFL Player Retirement Plan, and/or Bert Bell/Pete Rozelle NFL Player Retirement Plan. Benefits for a League Year will be determined by adding together all payments made and amounts properly accrued by or on behalf of the NFL and all NFL Clubs for the above purposes during that League Year, except that Benefits for pension funding and the Second Career Savings Plan will be deemed to be made in a League Year for purposes of this Article if made in the Plan Year beginning in the same calendar year as the beginning of such League Year.

(c) **Salary.**

(i) "Salary" means the compensation in money, property, investments, loans or anything else of value to which an NFL player (including Rookie and Veteran players and players whose contracts have been terminated) or his Player Affiliate is entitled in accordance with a Player Contract, but not including Benefits. Salary with respect to any period shall include

all Salary actually payable with respect to such period under the terms of a Player Contract and all Salary attributable to such period under the terms of this Agreement.

(ii) A player's Salary shall also include any and all consideration received by the player or his Player Affiliate, even if such consideration is ostensibly paid to the player for services other than football playing services, if the NFL can demonstrate before the Impartial Arbitrator that the consideration paid to the player or Player Affiliate for such non-football services does not represent a reasonable approximation of the fair market value of such services as performed by such player. The Impartial Arbitrator's determination may take into account, among other things: (1) any actual dollar amounts the player or Player Affiliate received for similar non-football playing services from an independent third party; and (2) the percentage of total compensation for non-football services received from third parties versus the Team or Team Affiliate.

(iii) For purposes of this Article, Salary shall be computed pursuant to the additional rules below.

Section 2. Trigger for Guaranteed League-wide Salary, Salary Cap, and Minimum Team Salary: There shall be no Guaranteed League-wide Salary, Salary Cap, or Minimum Team Salary for NFL Teams during the 1993 League Year. If in the 1993 League Year or any subsequent League Year the total Player Costs for all NFL Teams equals or exceeds 67% of actual Defined Gross Revenues, there shall be a Guaranteed League-wide Salary, Salary Cap, and Minimum Team Salary in the amounts set forth below for the next League Year and all subsequent League Years, unless the Salary Cap is removed pursuant to Section 4(b)(ii)(4) below. Notwithstanding the immediately preceding sentence, there will be no Guaranteed League-wide Salary, Salary Cap or Minimum Team Salary in the *Final League Year*.

**Extension Agreement 6/6/96*

Section 3. Guaranteed League-wide Salary: In any League Year in which a Salary Cap is in effect there shall be a Guaranteed League-wide Salary of 58% of actual Defined Gross Revenues. In the event that the Player Costs for all NFL Teams during any League Year in which a Salary Cap is in effect are less than 58% of actual Defined Gross Revenues for such season, then, on or before April 15 of the next League Year, the NFL shall pay an amount equal to such deficiency directly to players who played on NFL Teams during such season pursuant to the reasonable allocation instructions of the NFLPA.

Section 4. Salary Cap Amounts:

(a) Subject to the adjustments set forth below, the amount of the Salary Cap for each NFL Team in years that it is in effect shall be (1) in the first League Year, 64% of the Projected Defined Gross Revenues, less

League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year; (2) in the 1995 and 1996 League Years, 63% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year; (3) in the 1997 League Year, 62% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year; and (4) in the remaining League Years of this Agreement until the Final League Year, or until the Cap is removed pursuant to subsection 4(b)(ii)(4) below, as specified in Section 4(c) below.

**Extension Agreement 6/6/96*

(b) The foregoing Salary Cap amounts shall be adjusted as follows:

(i) The actual dollar amount of the Salary Cap shall not be less than the actual dollar amount of any Salary Cap in effect during the preceding League Year; provided, however, that at no time shall the Projected Benefits, plus the amount of the Salary Cap multiplied by the number of Teams in the NFL, exceed 70% of the Projected Defined Gross Revenues.

(ii) If the total Player Costs of the NFL Teams during any League Year in which the Salary Cap is in effect falls below:

(1) 59% of actual Defined Gross Revenues, then the Salary Cap percentage for the next League Year shall be increased by 1% of Projected Defined Gross Revenues;

(2) 58% of actual Defined Gross Revenues, then the Salary Cap percentage for the next League Year shall be increased by 2% of Projected Defined Gross Revenues;

(3) 57% of actual Defined Gross Revenues, then the Salary Cap percentage for the next League Year shall be increased by 3% of Projected Defined Gross Revenues;

(4) 56% of actual Defined Gross Revenues, then there shall be no Salary Cap for the next League Year or any succeeding League Year unless and until the Salary Cap again becomes effective in accordance with Section 2 of this Article.

(c)(i) If neither party has provided notice by December 1, 1997 cancelling the extension set forth in Article LXI (Extension of Agreement), Section 1, the amount of any Salary Cap for each NFL Team in the 1998 League Year and any remaining Capped Years shall be 63% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year.

(ii) If the NFLPA has provided notice by December 1, 1997 cancelling the extension set forth in Article LXI (Extension of Agreement), Section 1, the amount of any Salary Cap for each NFL Team in the 1998 League Year and any remaining Capped Years shall be 62% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year.

(iii) If the NFLPA has provided notice by December 1, 1998 cancelling the

extension set forth in Article LXI (Extension of Agreement), Section 2, the amount of any Salary Cap for each NFL Team in the 1999 League Year shall be 63% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year, and the amount of any Salary Cap for each NFL Team in the 2000 League Year shall be 62% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year.

(iv) If the NFL has provided notice by December 1, 1997 cancelling the extension set forth in Article LXI (Extension of Agreement), Section 1, the amount of any Salary Cap for each NFL Team in the 1998 League Year shall be 62% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year, and the amount of any Salary Cap for each NFL Team in the 1999 League Year shall be 63% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year.

(v) If the NFL has provided notice by December 1, 1998 cancelling the extension set forth in Article LXI (Extension of Agreement), Section 2, the amount of any Salary Cap for each NFL Team in the 1999 League Year shall be 62% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year, and the amount of any Salary Cap for each NFL Team in the 2000 League Year shall be 63% of the Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the number of Teams playing in the NFL during such year.

(vi) A summary of the above percentages is set forth in Appendix K hereto.

*Extension Agreement 6/6/96

Section 5. Minimum Team Salary:

(a) With respect to each League Year for which a Salary Cap is in effect, there shall be a guaranteed Minimum Team Salary for each Team of 50% of Projected Defined Gross Revenues, less League-wide Projected Benefits, divided by the then current number of teams in the NFL. Each Team shall be required to have a Team Salary of at least the Minimum Team Salary at the end of each League Year.

(b) Nothing contained herein shall preclude a Team from having a Team Salary in excess of the Minimum Team Salary, provided it does not exceed the Salary Cap.

(c) Any shortfall in the Minimum Team Salary at the end of a League Year shall be paid, on or before April 15 of the next League Year, by the Teams having such shortfall, directly to the players who were on such Teams' roster at any time during the season, pursuant to reasonable allocation instructions of the NFLPA.

(d) If the NFL agrees, or a judgment or award is entered by the Special Master, that a Team has failed by the end of the then current League Year to make the payments required to satisfy a Team's obligations to pay the Minimum Team Salary required by this Agreement, then, in the event the

Team fails promptly to comply with such agreement, judgment or award, the NFL shall make such payment on behalf of that Team (such funds to be paid as salary directly to the players on such Team at the direction of and pursuant to the reasonable allocation instructions of the NFLPA).

Section 6. Computation of Team Salary: During any League year in which the Salary Cap is in effect, all of the following amounts shall be included every day in determining a Team's Team Salary:

(a) **Player Contracts.** Subject to the rules below in Section 7 of this Article, all amounts the Team has paid or is obligated to pay as set forth in all Player Contracts of current and former players covering a particular League Year, including exercised, options, shall be included in Team Salary.

(b) **Tenders.**

(i) Drafted Rookies' Salaries shall be tendered automatically at the Rookie Minimum Active List Salary as of the day of the Draft and shall be included in Team Salary until (1) the player is signed, (2) the Team's rights are relinquished through waivers, or (3) the Tuesday following the tenth week of the regular season (if the player is unsigned).

(ii) For players with less than three Accrued Seasons whose contracts have expired, the Minimum Active List Salary will be included in Team Salary when tendered until the player is signed, or the Team's rights are relinquished.

(iii) For players who are Restricted Free Agents, the Qualifying Offer will be included in Team Salary when tendered until the player is signed, the Qualifying Offer is withdrawn, or a "June 1 tender" (which may be made on or before June 1) is made. If the player is unsigned and the Team makes a June 1 tender or June 15 tender, such tender will be included until the player is signed, the Team's rights are relinquished, or the Tuesday following the tenth week of the regular season (if the player is unsigned).

(iv) For players who are Unrestricted Free Agents, the June 1 tender, if made, will be included in Team Salary as of July 15 and thereafter until the player is signed, the tender is withdrawn, the Team's rights are relinquished or extinguished, or the Tuesday following the tenth week of the regular season (if the player is unsigned).

(v) For Transition Players and Franchise Players, the tender will be included in Team Salary when made until the player is signed, the tender is withdrawn, the Team's rights are relinquished, or the Tuesday following the tenth game of the regular season (if the player is unsigned).

(vi) All Offer Sheets will be included in Team Salary when tendered until the player is signed to a Player Contract by any NFL Team, or the Offer Sheet is withdrawn.

(c) **Practice Squad Contracts.** Any Practice Squad contract Salaries shall be included in Team Salary.

(d) **Termination Pay.** Any type of Termination Pay liability will be included in Team Salary at the time the player is released, except to the ex-

tent the Team is relieved of any such liability.

(e) **Grievances.** When a player salary grievance is filed against a Team, 50% of the amount claimed will be counted in Team Salary until the grievance is resolved or until the end of the League Year, whichever comes first; at the end of the League Year, if any grievances have been settled or awards have been made, if the net total grievance amounts paid by the Team are more than the original 50% attributions and put the Team over the Salary Cap, the excess will be deducted from the Team's Salary Cap in the following League Year; if the net total grievance amounts paid are less than the original 50% attributions and the Team finishes the season at the Salary Cap or below the Salary Cap by less than the amount of the unawarded attributions, the difference will be added to the Team's Salary Cap for the following League Year. If an award or settlement is made for a grievance in a League Year after the grievance was filed, and the grievance amount paid is more than the original 50% attribution, the excess shall be included in Team Salary when paid; if the grievance amount is less than the original 50% attribution, the difference shall be deducted from Team Salary when the award is made.

(f) **Expansion Bonuses.** Except as set forth in Article XXXI (Expansion), any expansion bonuses paid to players shall be included in Team Salary.

(g) **Other Amounts.** Any other Salary not listed above paid to players shall be included in Team Salary.

Section 7. Valuation of Player Contracts: Notwithstanding any provision in a Player Contract to the contrary or when such payments are actually made, the following rules shall apply in determining the amount of a player's Salary that is to be included in Team Salary in a particular League Year for purposes of the Salary Cap:

(a) **Paragraph 5.**

(i) The highest applicable Salary set forth in Paragraph 5 of the NFL Player Contract shall be included in Team Salary in the year earned, except that, between March 1 and the first day of the regular playing season, only the following amounts from Paragraph 5 shall be included for players whose Player Contracts are not among the Team's 51 highest valued Player Contracts, tenders and Offer Sheets (as determined under this Section 7):

(1) Any amount that exceeds the Minimum Active/Inactive List Salary for Undrafted Rookie Free Agents; and

(2) Any amount that exceeds twice the applicable Minimum Active/Inactive List Salary for all other players.

(ii) **Deferred Salary.** Any Paragraph 5 Salary to be earned in a particular year but not to be paid until after the next League Year shall be considered "Deferred Salary" and will be included in Team Salary during the League Year earned at its present value based on the Treasury Bill rate published in The Wall Street Journal on March 1 in the year earned. Salary to

be paid any time before the end of the League Year after it is earned shall not be considered Deferred Salary and will be included fully in the Team's Salary during the year earned.

(b) **Signing Bonuses.**

(i) **Proration.** The total amount of any signing bonus shall be prorated over the term of the Player Contract in determining Team and Player Salary, except that:

(1) Signing bonuses in contracts negotiated in a Capped Year may not be prorated more than three years beyond the *Final Capped Year*.

**Extension Agreement 6/6/96*

(2) Any contract year in which the player has the right to terminate based upon events within his sole control shall not be counted as a contract year for purposes of proration. In the event the NFL and the NFLPA cannot agree upon whether an option is within the player's sole control, such issue shall be resolved by the Impartial Arbitrator.

**With respect to the proration of signing bonuses for Player Contracts entered into by Rookie players in which the player has the right to terminate based solely upon reporting, making the roster and/or playtime, such conduct shall automatically be deemed "within his sole control," as set forth in Article X, Paragraph G.2.(a)(ii) of the Stipulation and Settlement Agreement and in Article XXIV, Section 7(b)(i)(2) of the Collective Bargaining Agreement, unless the exercise of the right to terminate is also conditioned upon the following playtime requirements: (1) for players drafted in the first round, at least 35% of the plays if the triggering condition occurs in the first year of the Player Contract, and at least 45% of the plays if in any subsequent year; (2) for all other Rookie players, at least 15% of the plays if the condition occurs in the first year of the Player Contract, and at least 30% of the plays if in any subsequent year. The playtime requirements set forth above do not affect the signing bonus allocation for any contract entered into by players other than Rookies.*

**Side Letter 9/21/93: Sec. 15*

** [A]ny multi-year Player Contract not unconditionally approved by the Commissioner as of the date hereof, other than any multi-year Player Contract executed in the last Capped Year of this Agreement, that extends from a Capped Year into any Uncapped Year (hereinafter "Subject Contract"). For purposes of determining Team Salary, if (i) the sum of the player's Paragraph 5 Salary, roster bonuses that are based upon the player making any of the Club's roster categories*

without limitation, and reporting bonuses during all Capped Years of the Subject Contract (but, if there are fewer than three remaining Capped Years, during the first three years of the Subject Contract) in the aggregate less than (ii) the portion of the Subject Contract's signing bonus that would be allocated to those League Years if the signing bonus were prorated equally over the term of the Subject Contract, then: the difference between the amounts calculated pursuant to (ii) and (i) of this sentence, up to 50% of the portion of the signing bonus that would otherwise be allocated to the Uncapped Years (the "Difference"), shall be deducted in equal portions from those Uncapped Years and reallocated¹ in equal portions over the Capped Years of the Subject Contract (or, if there are fewer than three Capped Years within the term of the Subject Contract, over the first three years of the Subject Contract). For purposes of this Paragraph, a renegotiation shall be treated as if it is an entirely new Player Contract. Notwithstanding the above, any Subject Contract executed prior to November 15, 1995 for which there is a Difference as a result of the calculation set forth above shall have the 1995 portion of such Difference allocated to 1995 Team Salary to the extent of the Club's current and any future Room during the 1995 regular season (except such Room that results from the termination or renegotiation of a 1995 Player Contract after October 30, 1995), with the balance to be allocated to the 1996 League Year. Further, any Subject Contract executed between November 15, 1995 and the end of the 1995 League Year shall have the 1995 portion of any Difference allocated to the 1996 League Year.

**Side Letter 11/1/95: Sec. 1*

(3) If a Player Contract provides for an increase in Salary upon the assignment of such contract to another NFL Team, such increase shall be included in the player's Salary upon such assignment and be attributable to the Team paying the bonus.

** For the purposes of the Salary Cap, any signing bonus given in connection with a contract extension entered into before the expiration of the player's existing contract will be prorated over the remaining years of the unexpired contract together with its extension. The parties agree that, pursuant to the Collective Bargaining Agreement, the player shall always have the right to receive such a signing bonus at the time that the extension is executed, unless the player expressly agrees in the contract to defer payment of the extension bonus, in which*

¹ This sentence incorporates the language of the Side Letter dated 11/22/95.

case only the present value of the deferred payment, calculated in accordance with the method set forth in Article X, Paragraph G.1. (b) of the Stipulation and Settlement Agreement and Article XXIV, Section 7(a)(ii) of the Collective Bargaining Agreement, shall be prorated (unless the extension is executed within one year of the execution of the contract being extended, in which case the gross amount of the extension bonus shall be prorated).

**Side Letter 9/21/93: Sec 17*

(ii) **Acceleration.**

(1) For any player removed from the Team's roster on or before June 1, any unamortized signing bonus amounts will be included in Team Salary for such League Year. If such acceleration puts a Team over the Salary Cap, the Team will have seven days to conform with the Salary Cap, but may not sign any players until there is Room to do so under the Salary Cap.

(2) For any player removed from the Team's roster after June 1, any unamortized signing bonus amounts for future years will be included fully in Team Salary at the start of the next League Year.

** During any League Year immediately preceding an Uncapped Year, the provisions relating to acceleration of unamortized signing bonuses applicable on or before June 1 of that League Year shall apply during that League Year after June 1.*

**Side Letter 11/1/95: Sec. 2*

(3) In the event that a player who has had a signing bonus allocated over the years of his Player Contract is traded, or whose Contract is assigned to another team pursuant to the NFL's waiver procedure, then such signing bonus shall be accelerated as in subsection (ii)(1) above and the assignee Team's Team Salary will not include any portion of the signing bonus.

(4) Any contract year that the player has the right to terminate based upon a contingency shall count as a contract year for purposes of proration until the contingency is fulfilled, at which time any amounts attributed to such year shall be accelerated and included immediately in Team Salary. To the extent that such acceleration puts the Team over its Salary Cap, the difference shall be deducted from its Salary Cap for the following year.

** With respect to a Player Contract in which the player has one or more rights to terminate based upon one or more not "likely to be earned" incentives and the player also being on the roster at a subsequent time, no acceleration shall occur pursuant to Article XXIV, Section 7(b)(ii)(4) of the CBA until both the incentive(s) and the roster precondition(s) have been satisfied.*

**Side Letter 10/21/96: Sec. 5*

(5) The unamortized portion of any signing bonus contained in an NFL Player Contract that is renegotiated to reduce the number of years of such Player Contract shall be included, to the extent attributable to such reduced year or years, in Team Salary at the time of the renegotiation.

(iii) **Prior Signing Bonuses.** All signing bonuses from League Years prior to 1993 will be prorated over the term of the original Player Contracts and included in Team Salary in the 1993 League Year and thereafter.

(iv) **Amounts Treated as Signing Bonuses.** For purposes of determining Team Salary under the foregoing, the term "signing bonus" shall include:

(1) Any amount specifically described in a Player Contract as a signing bonus;

(2) Any guaranteed reporting bonus;

(3) Any consideration, when paid, or guaranteed, for option years, contract extensions, contract modifications, or individually negotiated rights of first refusal;

(4) Any option buyout amount, when paid or guaranteed; and

(5) In the event that a Player Contract calls for a Salary in the second year of such Contract that is less than half the Salary called for in the first year of such Contract, the difference between the Salary in the second contract year and the first contract year shall be treated as a signing bonus.

** In a contract signed after the start of training camp, a reporting bonus for that season will be counted as a signing bonus. In a contract signed after the last pre-season game, a roster bonus for that season will be counted as a signing bonus.*

**Side Letter 9/21/93: Sec. 18*

** Any salary advance paid on a guaranteed basis will be counted as a signing bonus.*

**Side Letter 9/21/93: Sec. 19*

** For purposes of the Salary Cap and Entering Player Pool, any guaranteed bonus tied to workouts shall be treated as a Signing Bonus.*

**Side Letter 6/23/93: Sec. 3*

** For purposes of the Salary Cap and Entering Player Pool, any salary advance which a player is not obligated to re-pay shall be treated as a Signing Bonus.*

**Side Letter 6/23/93: Sec. 4*

** For purposes of the Salary Cap and Entering Player Pool, any roster or reporting bonus which is earned or paid before*

the start of the Club's pre-season training camp shall be treated as a signing bonus.

**Side Letter 6/23/93, Sec. 6*

** Except as set forth in [the] Paragraph [to follow], the full non-guaranteed amount of any Salary advance, off-season work-out bonus, off-season roster bonus, or off-season reporting bonus shall be included in Team Salary only in the League Year in which it is earned by the player, without any pro-ration. For purposes of this paragraph only, "guaranteed" means Salary that is fully guaranteed, prior to being earned, for skill, for injury, and regardless of any termination of the contract by the Club. The definition of "guaranteed" set forth above shall not affect Salary Cap accounting for any other purpose.*

**Side Letter 10/21/96: Sec. 1*

** With respect to any Player Contract, or any renegotiation or extension of a Player Contract, that is executed in the Final Capped Year, each of the following shall be treated as a signing bonus, at the time of execution, if it is to be earned or paid to the player in the Final League Year (which is an Uncapped Year): (a) any Salary advance which the player is not and cannot be obligated to repay; (b) any off-season workout bonus that is contingent upon the player's participation in less than 32 days of the Club's off-season work-out program; (c) any off-season roster bonus; and (d) any off-season reporting bonus.*

**Side Letter 10/21/96: Sec. 2*

** [A]ny bonus to be paid to a player solely for fulfilling his obligations to play under his Player Contract without seeking to renegotiate and/or "holding out" (i.e., a "completion bonus"), and which bonus is otherwise guaranteed for skill and injury, shall be considered to be a "signing bonus" under Article X of the Settlement Agreement and Article XXIV of the CBA, except that the amount of any such completion bonus shall be calculated at its present value, computed at the Treasury Bill rate published in The Wall Street Journal on March 1 of the League Year in which the Player Contract is executed. Further, if any event occurs which extinguishes the player's right to receive such completion bonus, any amount of the bonus that has previously been included in Team Salary shall be immediately added to the Team's Salary Cap for the current League Year, if such event occurs prior to June 1, or for*

the next League Year, if such event occurs after such date, with the remainder of the bonus that has been allocated to Team Salary for future League Years immediately extinguished.

**Side Letter 1/18/94: Sec. 3*

** Any relocation bonus which is individually negotiated between a player and a Club shall be treated as a signing bonus.*

**Side Letter 5/24/95: Sec. 9*

** Through the 1997 League Year, if a Club and a player renegotiate or extend a contract and increase the player's Salary for the current League Year, the increase will be counted as Salary for that League Year if the NFL Management Council receives, prior to 4:00 p.m. on the Monday of the tenth week of the regular season, notice of the salary terms of such an executed extended or renegotiated contract. In any other circumstance through the 1997 League Year, the increase in Salary will be treated as a signing bonus that is allocated over the remaining years of the Player contract (including the "current" year of that contract) to the extent that such allocation is permitted by the CBA.*

**Side Letter 5/24/95: Sec. 14*

(v) **Credit for Signing Bonuses Refunded.** In the event that a Team receives a refund from the player of any previously paid portion of a signing bonus, or the Team fails to pay any previously allocated portion of a signing bonus, such amount as has previously been included in Team Salary shall be added to the Team's Salary Cap for the next League Year.

(c) **Incentives.**

(i) Any and all incentive amounts, including but not limited to performance bonuses, shall be included in Team Salary if they are "likely to be earned" during such League Year based upon the player's and/or Team's performance during the prior year. In the case of a Rookie, or a Veteran who did not play during the prior season, in the event that the NFL and the NFLPA cannot agree as to whether such performance bonus is "likely to be earned," such disputes shall be referred to the Impartial Arbitrator. Any incentive within the sole control of the player (e.g., non-guaranteed reporting bonuses, off-season workout and weight bonuses) shall be deemed "likely to be earned."

(ii) At the end of a season, if performance bonuses actually earned resulted in a Team's paying Salary in excess of the Salary Cap, then the amount by which the Team exceeded the Salary Cap as a result of such actually paid performance bonuses shall be subtracted from the Team's Salary Cap for the next League Year.

(iii) At the end of a season, if performance bonuses previously in-

cluded in a Team's Team Salary but not actually earned exceed performance bonuses actually earned but not previously included in Team Salary, an amount shall be added to the Team's Salary Cap for the next League Year equalling the amount, if any, by which such overage exceeds the Team's Room under the Salary Cap at the end of a season.

** Any team performance will be automatically deemed to be "Likely to be earned" if the Team met or exceeded the specified performance during the prior League Year, and will be automatically deemed to be "not likely to be earned" if the Team did not meet the specified performance during the prior League Year.*

**Side Letter 2/22/96: Sec. 1*

** Any incentive bonus that depends on team performance in any category not identified in Exhibit A hereto automatically will be deemed "likely to be earned."*

**Side Letter 9/21/93: Sec. 8*

** Any incentive bonus that depends on a player's individual performance in any category not identified in Exhibit B hereto automatically will be deemed "likely to be earned." Any incentive bonus that depends on a player's individual performance in categories other than those used to assess performance at the player's primary position automatically will be deemed "likely to be earned."*

**Side Letter 9/21/93: Sec. 11*

(EXHIBIT A)
TEAM INCENTIVES

OFFENSE	DEFENSE	SPECIAL TEAMS
Points scored by offense	Points allowed by defense	Own punt return average
Touchdowns scored by offense	Touchdowns allowed by defense	Own kickoff return average
Total offense (net yards)	Total defense (net yards)	Opposition punt return average
		Opposition kickoff return average
Average net yards gained per rushing play	Average net yards given up per rushing play	
Average net yards gained per passing play	Average net yards given up per passing play	
Sacks allowed	Sacks	
Passing % completed	Interceptions	

ALL

Wins

Playoffs

Conference

Championship

Super Bowl

Touchdowns on returns and recoveries

Net difference

takeaways/giveaways

**Side Letter 9/21/93: Exhibit A*

(EXHIBIT B)
INDIVIDUAL INCENTIVES

RUSHING

Total yards

Average yards

(100 attempts)

Touchdowns

PASSING

Passer rating

(224 attempts)

Completion percentage

(224 attempts)

Interception percent

(224 attempts)

Total yards

Yards per pass

(224 attempts)

Touchdown passes

RECEIVING

Total receptions

Total yards

Average yards

(32 receptions)

Touchdowns

DEFENSE

Interceptions

Interception return yards

Touchdowns on

interception returns

Opponent fumble recoveries

Opponent fumble return yards

Touchdowns on opponent

fumble returns

Sacks

PUNT RETURNS

Total yards

Average (20 returns)

Touchdowns

(EXHIBIT B)
INDIVIDUAL INCENTIVES

KICKOFF RETURNS

Total yards

Average (20 returns)

Touchdowns

PUNTING

Gross average (40 punts)

Net average (40 punts)

Inside 20-yard line

PLACE KICKING

Total points

Field goals

Field goal percentage
(16 attempts)

Field goal percentage

0-19 yards (4 attempts)

Field goal percentage

20-29 yards (4 attempts)

Field goal percentage

30-39 yards (4 attempts)

Field goal percentage

40-49 yards (4 attempts)

Field goal percentage

50 yards or longer (3 attempts)

OTHERS

Roster bonuses

Reporting bonuses

Playtime bonuses

(excluding special teams)

Special teams playtime

**Side Letter 9/21/93: Exhibit B*

ROOKIE "LIKELY TO BE EARNED" INCENTIVES

CATEGORY		PERCENT COUNTED
ROSTER BONUSES		
(regular season)		
All Drafted		100%
Undrafted		30%
ROSTER BONUSES		
(pre-season)		
All Players		100%
PLAYING TIME		
	ROUNDS 1 - 3	
	Up to 33%	100%
	34% - 75%	75%
	76% - 90%	50%
	91% - 100%	25%
	ROUNDS 4 - 8	
	Up to 25%	100%
	26% - 33%	75%
	34% - 50%	50%
	51% - 75%	25%
	76% - 100%	10%
	UNDRAFTED	
	Up to 15%	100%
	16% - 25%	75%
	26% - 50%	50%
	51% - 75%	25%
	76% - 100%	10%
	All percentages will round to the nearest whole percentage (e.g., .05 is rounded to 1.0)	
SPECIAL TEAMS	ROUNDS 1 - 3	100%
PARTICIPATION	ROUNDS 4 - 8	66%
	UNDRAFTED	50%
HONORS		
(First or Second Team)*	ROUNDS 1 - 2	
	All-Rookie	100%
	All NFL, Pro Bowl	5%
	All Conference	10%
*See Media List on	ALL OTHERS	
page 117	All-Rookie	15%
	All Conference	5%

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

RUSHING

Total Yards	ROUNDS 1 - 3	
Rushing	Up to 150 yards	100%
	151 - 350 yards	75%
	351 - 500 yards	66%
	501 - 700 yards	33%
	701 yards or more	0%
	ALL OTHERS	
	Up to 100 yards	100%
	101 - 350 yards	66%
	351 - 650 yards	25%
	651 yards or more	0%
Average Yards (100 attempts)	ROUNDS 1 - 3	
	Up to 3.74	100%
	3.75 - 4.0	66%
	4.01 - 4.49	33%
	4.5 or more	0%
	ALL OTHERS	
	Up to 3.74	100%
	3.75 - 4.0	50%
	4.01 - 4.49	25%
	4.5 or more	0%
Touchdowns	ROUNDS 1 - 3	
	Up to 4	100%
	5 - 7	66%
	8 - 11	33%
	12 or more	0%
	ALL OTHERS	
	Up to 4	100%
	5 - 7	50%
	8 - 11	25%
	12 or more	0%

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

PASSING

Passer Rating (224 attempts)	ROUNDS 1 - 3	
	50 rating or less	100%
	51.00 - 75.00	66%
	76.00 - 90.00	50%
	90.00 - 100.00	33%
	100.01 or more	0%
	ALL OTHERS	
	50.00 or less	100%
	51.00 - 75.00	66%
	76.00 - 90.00	25%
	90.01 or more	0%
Completion Percentage (224 attempts)	ROUNDS 1 - 3	
	Up to 52%	100%
	52.1 - 56%	66%
	56.1 - 59%	33%
	59.01% or more	0%
	ALL OTHERS	
	Up to 52%	100%
	52.1 - 56%	50%
	56.1 - 59%	25%
	59.01% or more	0%
Interception Percentage (224 attempts)	ROUNDS 1 - 3	
	3.0% or more	100%
	2.7 - 2.9%	66%
	2.1 - 2.6%	33%
	2.0% or less	0%
	ALL OTHERS	
	3.0% or more	100%
	2.7 - 2.9%	50%
	2.1 - 2.6%	25%
	2.0% or less	0%

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

Total Yards	ROUNDS 1 - 3	
Passing	Up to 500 yards	100%
	501 - 700 yards	75%
	701 - 900 yards	50%
	901 - 1,600 yards	25%
	1,601 yards or more	0%
	ALL OTHERS	
	Up to 400 yards	100%
	401 - 600 yards	75%
	601 - 800 yards	50%
	801 - 1,200 yards	25%
	1,201 yards or more	0%
Yards Per Pass (224 attempts)	ROUNDS 1 - 3	
	Under 6	100%
	6.0 - 7	66%
	7.1 - 8	33%
	8.1 - 9	10%
	9.1 or more	0%
	ALL OTHERS	
	Under 6	100%
	6.0 - 7	50%
	7.1 - 8	25%
	8.1 - 9	10%
	9.1 or more	0%
Touchdown Passes	ROUNDS 1 - 3	
	Under 11	100%
	12 - 16	66%
	17 - 23	33%
	24 - 29	10%
	30 or more	0%
	ALL OTHERS	
	Under 11	100%
	12 - 16	50%
	17 - 23	25%
	24 - 29	10%
	30 or more	0%

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

RECEIVING

Total Receptions	ROUNDS 1 - 3	
	Up to 20 catches	100%
	21 - 30 catches	75%
	31 - 35 catches	50%
	36 - 40 catches	25%
	41 catches or more	0%
	ALL OTHERS	
	Up to 10 catches	100%
	11 - 35 catches	50%
	36 - 40 catches	25%
	41 catches or more	0%
Total Yards Receiving	ROUNDS 1 - 3	
	Up to 200 yards	100%
	201 - 300 yards	75%
	301 - 400 yards	50%
	401 - 800 yards	25%
	801 yards or more	0%
	ALL OTHERS	
	Up to 150 yards	100%
	151 - 250 yards	75%
	251 - 350 yards	50%
	351 - 700 yards	25%
	701 yards or more	0%
Average Yards (32 receptions)	ROUNDS 1 - 3	
	Up to 11.5	100%
	11.6 - 14.5	75%
	14.6 - 16.5	50%
	16.6 - 18.5	25%
	18.6 or more	0%
	ALL OTHERS	
	Up to 11.5	100%
	11.6 - 14.5	66%
	14.6 - 16.5	33%
	16.6 - 18.5	10%
	18.6 or more	0%

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

Receiving Touchdowns	ROUNDS 1 - 3	
	Up to 4	100%
	5 - 7	66%
	8 - 11	33%
	12 or more	0%
	ALL OTHERS	
	Up to 4	100%
	5 - 7	50%
	8 - 11	25%
	12 or more	0%
TOTAL OFFENSE		
Total Yards	ROUNDS 1 - 3	
	Up to 500 yards	100%
	501 - 700 yards	75%
	701 - 900 yards	50%
	901 - 1,600 yards	25%
	1,601 yards or more	0%
	ALL OTHERS	
	Up to 400 yards	100%
	401 - 600 yards	75%
	601 - 800 yards	50%
	801 - 1,200 yards	10%
	1,201 yards or more	0%
Scoring	ROUNDS 1 - 3	
	2 - 28 points	100%
	29 - 65 points	50%
	66 - 75 points	25%
	76 points or more	0%
	ALL OTHERS	
	2 - 28 points	100%
	29 - 55 points	50%
	56 - 75 points	10%
	76 points or more	0%

Article XXIV, Section 7 (c) Rookie Incentives

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

DEFENSE

Interceptions	ROUNDS 1 - 3	
	1 - 5	100%
	6 - 10	50%
	11 or more	0%
	ALL OTHERS	
	1 - 3	100%
	4 - 6	33%
	7 or more	0%
Interception Return Yards	ROUNDS 1 - 3	
	0 - 85	100%
	86 - 150	66%
	151 - 190	33%
	191 or more	0%
	ALL OTHERS	
	0 - 65	100%
	66 - 85	50%
Touchdowns on Interception Returns	86 - 110	25%
	111 or more	0%
	ALL	
	1	100%
	2	50%
	3 or more	0%
Opponent Fumble Recoveries	ALL	
	1 - 2	100%
	3 - 4	50%
	5 or more	0%
Opponent Fumble Return Yards	ROUNDS 1 - 3	
	0 - 40	100%
	41 - 65	66%
	66 - 80	33%
	81 or more	0%
	ALL OTHERS	
	0 - 30	100%
	31 - 55	50%
	56 - 75	25%
	76 or more	0%
Touchdowns On Opponent Fumble Returns	ALL	
	1	100%
	2	50%
	3 or more	0%

Article XXIV, Section 7 (c) Rookie Incentives

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

Sacks	ROUNDS 1 - 3	
	.5 - 4 sacks	100%
	4.5 - 6 sacks	50%
	6.5 - 8 sacks	25%
	8.5 sacks or more	0%
	ALL OTHERS	
	.5 - 3 sacks	100%
	3.5 - 6 sacks	50%
	6.5 - 8 sacks	25%
	8.5 sacks or more	0%
PUNT RETURNS		
Total Yards	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 224	100%
	225 - 349	33%
	350 or more	0%
Average (20 returns)	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 7.9	100%
	8.0 - 10.9	33%
	11.0 or more	0%
Touchdowns	ROUNDS 1 - 3	100%
	ALL OTHERS	
	1	33%
	2 or more	0%

Article XXIV, Section 7 (c) Rookie Incentives

**ROOKIE "LIKELY TO BE EARNED" INCENTIVES
(REVISED SCHEDULE B)**

KICKOFF RETURNS

Total Yards	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 599	100%
	600 - 649	33%
	650 or more	0%
Average (20 returns)	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 19.9	100%
	20.0 - 21.9	33%
	22.0 or more	0%
Touchdowns	ROUNDS 1 - 3	100%
	ALL OTHERS	
	1	33%
	2 or more	0%

PUNTING

Gross Average (40 punts)	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 42.4	100%
	42.5 - 43.9	33%
	44.0 or more	0%
Net Average (40 punts)	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 35.9	100%
	36.0 - 37.9	33%
	38.0 or more	0%
Inside 20-yard line	ROUNDS 1 - 3	100%
	ALL OTHERS	
	0 - 19	100%
	20 - 23	33%
	24 or more	0%